

**Subject:** Agenda Item #2 - DCC

**From:** Corrie Kost <kost@triumf.ca>

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**To:** Council Only - DNV <CouncilDnv@dnv.org>

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Your Worship & Members of Council,

Attached is a short report outlining a major concern about the revised DCC charges.

Yours truly,

Corrie Kost

<b>Oct21-2007-comments.pdf</b>	<b>Content-Type:</b> application/nappdf <b>Content-Encoding:</b> base64
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## Comments on Revised DCC Charges

Corrie Kost – 2851 Colwood Dr. N. Vancouver, V7R2R3 21 October 2007

I had recently been calling for a review of the DCC charges since they were last adjusted about 9 years ago. So I looked forward with some enthusiasm when the staff report of Oct 16/2007 was released. I had expected that the DCC charges would be significantly higher (eg. **in 1998 it was \$16,351** for a normal single family home). It came as a surprise that the staff report, contrary to my expectations, recommended a **new, lower, value of \$14,426 for single family homes**. The main reason: **“parks” charges were reduced from \$11,300 to \$5,681 (instead of increasing to \$20,975)**. Note that the DNV DCC “parks” charges for a single family home is proposed to be lower than that for, say Abbotsford (\$7863), where land prices are much lower than in DNV. Also, for example, the total DCC charges for Richmond (last updated in 2006) are \$21,457 for a SF home.

It has been stated by others that park requirements “are not dependent on land use patterns”<sup>(1)</sup>. The DNV OCP requires that 1 hectare (2.5 acres) of parkland be set aside for neighbourhood parks for every 1000 additional residents. On page 24 of the staff report it is proposed to reduce this to ¼ of this amount ie. 0.6 acres of neighbourhood parkland per 1000 additional residents. I find this unacceptable – and I hope so will members of council! Growth should pay its way – and not be a burden on the existing taxpayers or result on a reduction in the quality of life.

*DCCs cannot be used to recover operating or maintenance costs (see Sections 933(1) and 935(3) of the Act). Therefore, if smart growth and green design reduce the capital cost of infrastructure (by reducing the required capacity of a system), they could result in lower DCCs, but reductions in operating/maintenance costs cannot be reflected in the calculation of DCCs. Also, DCCs cannot reflect a wide range of sustainability considerations such as air quality, energy consumption, support for transit use, or maintenance of water quality.*<sup>(1)</sup>

Lowering the DCC charges below “fair” values is a tool used by some pro-development leaning councils<sup>(4)</sup>. The existing residents then subsidize new growth. However, since market forces dictate pricing, the housing “affordability” never really improves due to those reduced charges – just the profits of developers.

A recent (Fall 2007) review of the Industrial DCC<sup>(5)</sup> rates in some of the lower mainland is also well worth a look.

A number of reports on DCC's in lower mainland municipalities are also available.

Abbotsford<sup>(6)</sup>

Burnaby<sup>(7)</sup> – not adjusted since 1999

City of North Vancouver<sup>(9)</sup>

Delta<sup>(8)</sup> – shortly being revised and undergoing public process – adoption by end of 2007

Pitt Meadows<sup>(12)</sup>

Port Coquitlam<sup>(10)</sup>

Richmond<sup>(11)</sup> – updated in 2006 - Total DCC of **\$21,456.86** for SF home

In summary:

The overall DCC charges seem far too low. I trust this issue will see a full and open public debate.

Yours truly,

Corrie Kost

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## References:

- (1) Page 4 of report by Coriolis Consulting Corp for West Coast Environmental Law.
- (2) [http://www.cserv.gov.bc.ca/lgd/intergov\\_relations/library/DCC\\_Elected\\_Officials\\_Guide\\_2005.pdf](http://www.cserv.gov.bc.ca/lgd/intergov_relations/library/DCC_Elected_Officials_Guide_2005.pdf)
- (3) [http://www.housing.gov.bc.ca/housing/affordable/web\\_market\\_housing\\_affordability.pdf](http://www.housing.gov.bc.ca/housing/affordable/web_market_housing_affordability.pdf)
- (4) <http://www.bcbusinessmagazine.com/bcb/top-stories/2006/07/01/paving-paradise>
- (5) [http://www.naiopvcr.com/cgi-bin/pp/uploads/naiop/NAIOP\\_C.O.B.\\_2007.pdf](http://www.naiopvcr.com/cgi-bin/pp/uploads/naiop/NAIOP_C.O.B._2007.pdf) for 2007 and [http://www.naiopvcr.com/cgi-bin/pp/uploads/naiop/C.O.B.\\_2006.pdf](http://www.naiopvcr.com/cgi-bin/pp/uploads/naiop/C.O.B._2006.pdf) for 2006
- (6) <http://www.abbotsford.ca/PageFactory.aspx?PageID=370> and <http://www.abbotsford.ca/AssetFactory.aspx?did=1994>
- (7) [http://www.city.burnaby.bc.ca/\\_shared/assets/Development\\_Cost\\_Charges\\_-\\_Main\\_Document2174.pdf](http://www.city.burnaby.bc.ca/_shared/assets/Development_Cost_Charges_-_Main_Document2174.pdf)
- (8) <http://www.corp.delta.bc.ca/EN/main/business/998/dcc.html> - currently being revised and awaiting public input.
- (9) <http://www.cnv.org/server.aspx?c=2&i=70>
- (10) [http://www.portcoquitlam.ca/Business\\_Resources/Developing\\_in\\_the\\_City/Development\\_Cost\\_Charges.htm](http://www.portcoquitlam.ca/Business_Resources/Developing_in_the_City/Development_Cost_Charges.htm)
- (11) [http://www.richmond.ca/\\_shared/assets/bylaw8024\\_july1\\_200716665.pdf](http://www.richmond.ca/_shared/assets/bylaw8024_july1_200716665.pdf)
- (12) <http://www.pittmeadows.bc.ca/assets/Planning/dcc%20bylaw.pdf>